

Flight

Financial Literacy Information for Graduate/Professional Health Students of Today
Take **FLIGHT**.



FINANCIAL LITERACY OVERVIEW SHEET



Student Loan Repayment – Simply The Facts

Most Common Repayment Plan	Advantages	Monthly Payments	Length of Repayment Term	Eligibility Requirement
Income Base Repayment Plan (IBR) Direct Only	Provides a lower payment based on family size and AGI	Payments are capped at 15% of your monthly discretionary, but never more than the 10-year Standard Repayment Plan amount.	Up to 25 years (after which, any remaining balance might be forgiven)	Must have a Partial Financial Hardship (PFH) to qualify
Income Base Repayment Plan (IBR)* New Borrower Direct Only	Provides a lower payment based on family size and AGI	Payments are capped at 10% of your monthly discretionary, but never more than the 10-year Standard Repayment Plan amount.	Up to 20 years (after which, any remaining balance might be forgiven)	No Partial Financial Hardship (PFH) to qualify
Pay As You Earn (PAYE) Direct Only	Possibly offers the lowest required monthly payment and interest capitalization is capped at 10% of the original amount owed	Payments are capped at 10% of your monthly discretionary but never more than the 10-year Standard Repayment Plan amount.	Up to 20 years (after which, any remaining balance might be forgiven)	Must have a PFH, be a new borrower on or after 10/1/2007, and received a Direct Loan disbursement on or after 10/1/2011
REVISED Pay As You Earn Repayment Plan (REPAYE)** Direct Only	Possibly offers the lowest required monthly payment and interest capitalization is capped at 10% of the original amount	Your monthly payments will be 10% of discretionary income. Your monthly payment can be more than the 10-year Standard Plan amount.	Up to 20 years (after which, any remaining balance might be forgiven)	Any Direct Loan borrower with an eligible loan type may choose this plan.
Extended Repayment Plan Direct & FFEL	Reduce monthly payments, without consolidating	Equal monthly payments stretched over a longer term and payment based upon total amount borrowed	Up to 25 years	No requirements
Standard Repayment Plan Direct & FFEL	Lowest possible interest cost	Payments are calculated equally over the repayment term; payment based upon total amount borrowed	10-years (up to 30 years if consolidated)	No requirements

***New Borrower** - For the IBR Plan, you are a *new borrower* on or after July 1, 2014, if you had **no outstanding balance** on a *Federal Direct Loan Program* when you received a Direct Loan on after July 1, 2014.

****** If you're married, both your and your spouse's income and loan debt will be considered, **whether taxes are filed jointly or separately (with limited exceptions).**

For a complete overview of all the available repayment plans offered by the U.S. Department of Education, please visit:
<http://studentaid.ed.gov/repay-loans/understand/plans>

ONE-ON-ONE Counseling Session - Mandatory

All first year students are **required** to schedule and complete a one-on-one counseling session with their Financial Aid Counselor. If you have **ACCEPTED** Federal Student Loans, and applied the funds toward the cost of tuition, you are required to complete this session. Each student can contact their Financial Aid Counselor to schedule an appointment. <http://www.uthsc.edu/finaid/flight/staff.php>

Federal Loan Servicers

A loan servicer is a company that handles the billing and other services on your federal student loan. The loan servicer will work with you on repayment plans and loan consolidation and will assist you with other tasks related to your federal student loan. If you are unsure of your loan servicer, please visit the National Student Loan Data System website at: www.nslds.ed.gov. To obtain your loan servicer's website and to establish an online account, please visit: www.studentaid.ed.gov/repay-loans/understand/servicers. We encourage all students to create/establish an online account with their servicer for better management of their student loans.

Before you contact your loan servicer to discuss repayment plans, you can use our [Repayment Estimator](#) to get an early look at which plans you may be eligible for and see estimates for how much you would pay monthly and overall.

<https://studentloans.gov/myDirectLoan/mobile/repayment/repaymentEstimator.action>

Public Service Loan Forgiveness Program

Students can receive loan forgiveness through the Public Service Loan Forgiveness (PSLF) Program:

- Must make 120 on-time, full monthly payments under **Pay As You Earn (PAYE) or Income Base Repayment (IBR) plans** while employed full-time in a public service job
- Employed full-time with a non-profit 501(c)3 organization, government, military, or public service organization
- Track your 120 payments at [FedLoan Servicing](#), the U.S. Department of Education's federal loan servicer for the PSLF Program
- For medical students, payments made during a full-time residency program can count toward your 120 required payments

Consolidation

A Direct Consolidation Loan allows you to consolidate multiple federal student loans into one loan, **excluding private loans**.

There is no application fee to consolidate your federal student loans.

Multiple interest rates will be calculated as a weighted average interest rate. **You can consolidate your loans only if you completed your degree program or are no longer enrolled.**

For more information on consolidating your student loans, please visit:

<http://studentaid.ed.gov/repay-loans/consolidation>

Gold Standard

Go for the Gold! Be proactive .

- Create a personal budget/spending limitations
- Creating an account with your student loan servicer
- Knowing your total loan amount and estimated standard and extended monthly payments
- Understanding the Federal Public Service Loan Forgiveness Program
- Understanding income base repayment plans
- Attending at least one FLIGHT presentation each school year
- Reading an article related to personal finance every week
- Pulling a copy of your credit report each school year at www.annualcreditreport.com
- Filing your FAFSA by March 15th each school year
- Liking the FLIGHT Facebook page

Creating a Budget

- Determine a Time Span for Your Budget
- Choose a Tool to Help You Manage Your Budget
- Review Your Monthly Income
- Identify and Categorize Your Expenses
- Save for Emergencies
- Balance Your Budget
- Maintain and Update Your Budget

<http://www.uthsc.edu/financial-aid/flight/budgeting.php>

The [Financial Awareness Counseling Tool \(FACT\)](#) is a free **interactive tool** that can help you manage your finances. FACT covers topics ranging from managing your budget to avoiding *default*. Plus, you can access your loan information and receive personalized feedback to help you better understand your [Federal Loan](#) obligations.

Mandatory - Exit Counseling

Federal Law has issued a new requirement that ALL students who receive federal student aid must attend an [exit loan counseling session](#) prior to graduation. The purpose of exit review counseling is to acquaint students with the type - or types - of loan they have, the amount of their indebtedness, and their rights and responsibilities under each loan program. Students can complete exit loan counseling for their Federal Direct Loan (Stafford and Grad PLUS) via this website <https://studentloans.gov>. For Perkins Loan exit counseling, please visit to <http://www.heartlandesci.com> for more information.

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Important Websites

<http://www.uthsc.edu/finaid/flight/>

- www.nslds.ed.gov
- www.studentaid.gov
- www.fafsa.gov
- www.equifax.com
- www.experian.com
- www.transunion.com

